

STATE OF MARYLAND

MARYLAND DEPARTMENT OF THE ENVIRONMENT

Shari T. Wilson, Secretary

BILL NO: HOUSE BILL 90

COMMITTEE: Education, Health, and Environmental Affairs

POSITION: Support

TITLE: Department of the Environment - Bay Restoration Fund and Bay Restoration Fee

BILL ANALYSIS:

This bill simply repeals and reenacts without amendment four subsections of § 9-1605.2 of the Environment Article which were enacted by last year's General Assembly through House Bill 628, but which could not be given legal effect because of a title defect in last year's bill. This bill is necessary to cure the title defect and give legal effect to the amendments enacted through last year's legislation.

POSITION AND RATIONALE: Support

Section 9-1605.2 of the Environment Article, enacted by the General Assembly in 2004, establishes the Bay Restoration Fund, which, through the assessment of fees and the issuance of bonds, funds the upgrade of wastewater treatment facilities to achieve enhanced nutrient removal and the upgrade of on-site sewage disposal systems to the best available technology for the removal of nitrogen. Last year's bill amended § 9-1605.2 to include four provisions recommended by industry experts to strengthen our statute so that we could achieve the best possible bond rating.

The four amendments adopted last year:

- Added a new paragraph (5) to § 9-1605.2 (b), which expressly prohibited reduction of the Bay Restoration Fee so long as any bonds are outstanding;
- Added a provision to subsection (f)(1) that prohibited reversion or transfer of the monies in the Fund to a Special Fund;
- Amended Section 9-1605.2(i)(2)(ix) to specify that the expenditure of funds in the BRF for projects to remove nitrogen from onsite sewage disposal systems and for cover crop activities is "subject to

the allocation of funds." This will ensure that all the funds expended for these purposes be expended pursuant to the same 60%/40% allocation provided in Section 9-1605.2(h)(2)(i) and (ii); and

- Amended subparagraph (iv) of subsection (j)(6) to clarify that the Bay Restoration Fund Advisory Committee was tasked with making recommendations on the need for fee increases in future years to meet the financing needs of the Fund.

These changes were all made as a result of last year's bill and they appear in the law. This bill will allow the amendments to be given legal effect.

FOR MORE INFORMATION,
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